

### IN THE CLAIMS

Cancel claims 8, 26, 27, 47-54, 57-63 and 65, amend claims 1, 2, 25, 28, 44, 45, 46, 55, 56 and 64, and add new claims 66, 67, 68 and 69 such that the new claim set reads as follows:

1. (Currently Amended) A method of drilling a directional or horizontal wellbore in a hydrocarbon formation, comprising:

providing a concentric drill string ~~consisting essentially of~~ comprising an inner pipe having an inside wall and an outside wall and an outer pipe having an inside wall and an outside wall, said outside wall of said inner pipe and said inside wall of said outer pipe defining an annulus between the pipes;

connecting a bottomhole assembly, said bottomhole assembly comprising a directional drilling means for forming a borehole, to the concentric drill string; ~~and~~

delivering drilling medium through one of said annulus or inner pipe to the directional drilling means and removing exhaust drilling medium by extracting said exhaust drilling medium ~~primarily~~ through said the other of said annulus or inner pipe ~~and to the surface of the wellbore by means of said other of said annulus or inner pipe;~~ and

providing a downhole flow control means positioned at or near the directional drilling means, said downhole flow control means having an open position and a closed position, whereby said downhole flow control means is in the open position during active drilling to allow the flow of drilling medium or exhaust drilling medium through the inner pipe and the annulus and in the closed position when well control is necessary to prevent the flow of hydrocarbons through the inner pipe and the annulus to the surface of the wellbore.

2. (Currently Amended) A method of drilling a directional or horizontal wellbore in a hydrocarbon formation, comprising:

providing a concentric drill string ~~consisting essentially of~~ comprising an inner pipe having an inside wall and an outside wall and an outer pipe having an inside wall and an outside

wall, said outside wall of said inner pipe and said inside wall of said outer pipe defining an annulus between the pipes;

connecting a bottomhole assembly, said bottomhole assembly comprising a directional drilling means for forming a borehole and one or more tools selected from the group consisting of a downhole data collection and transmission means, a shock sub, a drill collar and an interchange means, to the concentric drill string; and

delivering drilling medium through one of said annulus or inner pipe to the directional drilling means and removing exhaust drilling medium by extracting said exhaust drilling medium through ~~said the~~ other of said annulus or inner pipe ~~and~~ to the surface of the wellbore ~~by means of said other of said annulus or inner pipe;~~ and

providing a downhole flow control means positioned at or near the directional drilling means, said downhole flow control means having an open position and a closed position, whereby said downhole flow control means is in the open position during active drilling to allow the flow of drilling medium or exhaust drilling medium through the inner pipe and the annulus and in the closed position when well control is necessary to prevent the flow of hydrocarbons through the inner pipe and the annulus to the surface of the wellbore.

3. (Previously Presented) The method of claim 1 or 2 wherein the drilling medium is delivered through the annulus and the exhaust drilling medium is extracted through the inner pipe.
4. (Previously Presented) The method of claim 1 or 2 wherein the drilling medium is delivered through the inner pipe and exhaust drilling medium is extracted through the annulus.
5. (Previously Presented) The method of claim 1 or 2 wherein drilling cuttings are extracted together with the exhaust drilling medium.
6. (Previously Presented) The method of claim 1 or 2 wherein drilling cuttings and hydrocarbons are extracted together with the exhaust drilling medium.

7. (Previously Presented) The method of claim 1 or 2 wherein said directional drilling means is a reverse circulating directional drilling means.
8. (Canceled) The method of claim 1 or 2, said bottomhole assembly further comprising a downhole flow control means positioned at or near the directional drilling means, said method further comprising preventing a flow of hydrocarbons from the inner pipe or the annulus or both to the surface of the wellbore by operation of said downhole flow control means.
9. (Previously Presented) The method of claim 1 or 2 further comprising providing a surface flow control means positioned at or near the surface of the wellbore for preventing flow of hydrocarbons from a space between the outside wall of the outer pipe and a wall of the wellbore.
10. (Previously Presented) The method of claim 9, said surface flow control means further comprising a discharging means, said method further comprising removing said exhaust drilling medium through said discharging means from said wellbore.
11. (Previously Presented) The method of claim 10 wherein said discharging means further comprises a flare means for flaring hydrocarbons produced from the wellbore.
12. (Previously Presented) The method of claim 1 or 2 wherein said drilling medium comprises air and said directional drilling means comprises a reciprocating air hammer, a drill bit and a bent sub or housing.
13. (Previously Presented) The method of claim 1 or 2 wherein said drilling medium comprises air and said directional drilling means comprises a rotary drill bit and a bent sub or housing, said directional drilling means being operated by a rotary table or top drive drilling system.
14. (Previously Presented) The method of claim 1 or 2 wherein said drilling medium comprises air and said directional drilling means comprises a drill bit, a steerable downhole air motor and a bent sub or housing.
15. (Previously Presented) The method of claim 14 wherein said steerable downhole air motor is a reverse circulating steerable downhole air motor.

16. (Previously Presented) The method of claim 1 or 2 wherein said drilling medium comprises drilling mud and said directional drilling means comprises a drill bit, a mud motor and a bent sub or housing.

17. (Previously Presented) The method of claim 16 wherein said mud motor is a reverse circulating mud motor.

18. (Previously Presented) The method of claim 12 wherein said reciprocating air hammer is a reverse circulating reciprocating air hammer.

19. (Previously Presented) The method of claim 1 or 2 wherein said drilling medium is selected from the group consisting of drilling mud, drilling fluid, gases and a combination thereof, and said directional drilling means comprises a drill bit and a bent sub or housing.

20. (Previously Presented) The method of claim 1 or 2, said directional drilling means further comprising a venturi, said method further comprising accelerating said exhaust drilling medium through said venturi so as to facilitate removal of said exhaust drilling medium from the concentric drill string.

21. (Previously Presented) The method of claim 1 or 2 further comprising providing a shroud means positioned between the outside wall of the outer pipe and a wall of the wellbore for preventing release of exhaust drilling medium outside the concentric drill string and into the formation.

22. (Previously Presented) The method of claim 1 or 2 further comprising providing a suction type compressor means for extracting said exhaust drilling medium through said annulus or inner pipe.

23. (Previously Presented) The method of claim 2 wherein said downhole data collection and transmission means comprises a measurement-while-drilling tool or a logging-while drilling tool or both.

24. (Previously Presented) The method of claim 1 further comprising providing an interchange means for directing said exhaust drilling medium through said annulus or inner pipe.

25. (Currently Amended) An apparatus for drilling a directional or horizontal wellbore in a hydrocarbon formation, comprising:

a concentric drill string ~~consisting essentially of~~ comprising an inner pipe having an inside wall and an outside wall and an outer pipe having an inside wall and an outside wall, said outside wall of said inner pipe and said inside wall of said outer pipe defining an annulus between the pipes;

a bottomhole assembly, said bottomhole assembly comprising a directional drilling means for forming a borehole and a downhole flow control means having an open position and a closed position ~~one or more tools selected from the group consisting of a downhole data collection and transmission means, a shock sub, a drill collar and an interchange means for directing said drilling medium and entrained drill cuttings through said annulus or inner pipe~~, operably connected to the concentric drill string; and

a drilling medium delivery means for delivering drilling medium through one of said annulus or inner pipe to the directional drilling means for entraining and removing drill cuttings through ~~said~~ the other of said annulus or inner pipe;

whereby when the downhole flow control means is in the open position drilling medium can flow through both the inner pipe and the annulus and when the downhole flow control means is in the closed position hydrocarbons are prevented from flowing through both the inner pipe and the annulus to the surface of the wellbore.

26. (Canceled) The apparatus of claim 25 wherein said bottomhole assembly further comprising a downhole flow control means positioned at or near the directional drilling means for preventing flow of hydrocarbons from the inner pipe or the annulus or both to the surface.

27. (Canceled) The apparatus of claim 25 wherein said bottomhole assembly further comprises one or more tools selected from the group consisting of a downhole data collection and transmission means, a shock sub, a drill collar, a interchange means for directing said drilling medium and entrained drill cuttings through said annulus or inner pipe, and a downhole flow control means.

28. (Currently Amended) The apparatus of claim 25 wherein said downhole data collection and transmission means comprises a measurement-while-drilling tool or a logging-while drilling tool or both.

29. (Previously Presented) The apparatus of claim 25 further comprising a surface flow control means positioned at or near the surface of the wellbore for preventing flow of hydrocarbons from a space between the outside wall of the outer pipe and a wall of the wellbore.

30. (Previously Presented) The apparatus of claim 29 further comprising a discharging means attached to said surface flow control means for discharging said drilling medium and said entrained drill cuttings from the wellbore.

31. (Previously Presented) The apparatus of claim 30 further comprising a flare means attached to said discharging means for flaring hydrocarbons produced from the wellbore.

32. (Previously Presented) The apparatus of claim 25 wherein said directional drilling means is a reverse circulating directional drilling means.

33. (Previously Presented) The apparatus of claim 25 wherein drilling medium comprises air and directional drilling means comprises a reciprocating air hammer, a drill bit and a bent sub or housing.

34. (Previously Presented) The apparatus of claim 33 wherein said reciprocating air hammer is a reverse circulating reciprocating air hammer.

35. (Previously Presented) The apparatus of claim 25 wherein drilling medium comprises air and directional drilling means comprises a rotary drill bit and a bent sub or housing, said directional drilling means being operated by a rotary table or top drive drilling system.

36. (Previously Presented) The apparatus of claim 25 wherein said drilling medium comprises air and said directional drilling means comprises a drill bit, a steerable downhole air motor and a bent sub or housing.

37. (Previously Presented) The apparatus of claim 36 wherein said steerable downhole air motor is a reverse circulating steerable downhole air motor.

38. (Previously Presented) The apparatus of claim 25 wherein said drilling medium comprises drilling mud and said directional drilling means comprises a drill bit, a downhole mud motor and a bent sub or housing.

39. (Previously Presented) The apparatus of claim 38 wherein said downhole mud motor is a reverse circulating downhole mud motor.

40. (Previously Presented) The apparatus of claim 25 wherein drilling medium is selected from the group consisting of drilling mud, drilling fluid and gases and a combination thereof, and said directional drilling means comprises a drill bit and a bent sub or housing.

41. (Previously Presented) The apparatus of claim 25, wherein the directional drilling means further comprising a venturi for accelerating said drilling medium so as to facilitate removal of said drill cuttings from the concentric drill string.

42. (Previously Presented) The apparatus of claim 25 further comprising a shroud means positioned between the outside wall of the outer pipe and a wall of the wellbore for preventing release of drilling medium or entrained drill cuttings or both outside the concentric drill string and into the formation.

43. (Previously Presented) The apparatus of claim 25 further comprising a suction type compressor means positioned at or near the top of the wellbore for extracting said entrained drill cuttings through said annulus or inner pipe.

44. (Currently Amended) A method of drilling a directional or horizontal wellbore in a hydrocarbon formation, comprising:

providing a concentric drill string comprising an inner pipe, said inner pipe having an inside wall and an outside wall, and an outer pipe having an inside wall and an outside wall, said outside wall of said inner pipe and said inside wall of said outer pipe defining an annulus between the pipes;

connecting a bottomhole assembly, said bottomhole assembly comprising a directional drilling means for forming a borehole, to the concentric drill string; and

delivering drilling medium through said inner pipe to said directional drilling means and removing exhaust drilling medium by extracting said exhaust drilling medium ~~primarily~~ through said annulus ~~and to the surface of the wellbore by means of said annulus;~~

providing a downhole flow control means positioned at or near the directional drilling means, said downhole flow control means having an open position and a closed position, whereby said downhole flow control means is in the open position during active drilling to allow the flow of drilling medium down through the inner pipe and exhaust drilling medium up through the annulus and in the closed position when well control is necessary to prevent the flow of hydrocarbons up through the annulus to the surface of the well bore.

45. (Currently Amended) A method of drilling a directional or horizontal wellbore in a hydrocarbon formation, comprising the steps of:

providing a concentric drill string comprising an inner pipe, said inner pipe having an inside wall and an outside wall, and an outer pipe having an inside wall and an outside wall, said outside wall of said inner pipe and said inside wall of said outer pipe defining an annulus between the pipes;

connecting a bottomhole assembly, said bottomhole assembly comprising a directional drilling means for forming a borehole, to the concentric drill string;

delivering drilling medium through ~~one of said annulus or inner pipe~~ to said directional drilling means and removing exhaust drilling medium by extracting said exhaust drilling medium through said ~~other of said annulus or inner pipe~~ to the surface of the wellbore; and

providing a downhole flow control means positioned at or near the directional drilling means, ~~for preventing a flow of hydrocarbons from the inner pipe or the annulus or both to the surface of the wellbore by operation of said downhole flow control means~~ said downhole flow control means having an open position and a closed position, whereby said downhole flow control means is in the open position during active drilling to allow the flow of drilling medium down through the annulus and exhaust drilling medium up

through the inner pipe and in the closed position when well control is necessary to prevent the flow of hydrocarbons up through the inner pipe to the surface of the wellbore.

46. (Currently amended) A method of drilling a directional or horizontal wellbore in a hydrocarbon formation, comprising the steps of:

providing a concentric drill string comprising an inner pipe, said inner pipe having an inside wall and an outside wall, and an outer pipe having an inside wall and an outside wall, said outside wall of said inner pipe and said inside wall of said outer pipe defining an annulus between the pipes;

connecting a bottomhole assembly, said bottomhole assembly comprising a directional drilling means for forming a borehole, to the concentric drill string;

delivering drilling medium through one of said annulus or inner pipe to said directional drilling means and removing exhaust drilling medium by extracting said exhaust drilling medium through said other of said annulus or inner pipe; and

providing a surface flow control means positioned at or near the surface of the wellbore for preventing flow of hydrocarbons from a space between the outside wall of the outer pipe and a wall of the wellbore, said surface flow control means having a discharging means and said discharging means having a flare means; and

removing said exhaust drilling medium through said discharging means from said wellbore and flaring any hydrocarbons produced from the wellbore.

47. (Canceled) The method of claim 46, said surface flow control means further comprising a discharging means, said method further comprising the step of removing said exhaust drilling medium through said discharging means from said wellbore.

48. (Canceled) The method of claim 47 wherein said discharging means further comprises a flare means for flaring hydrocarbons produced from the wellbore.

49. (Canceled) A method of drilling a directional or horizontal wellbore in a hydrocarbon formation, comprising:

providing a concentric drill string comprising an inner pipe, said inner pipe having an inside wall and an outside wall, and an outer pipe having an inside wall and an outside wall, said outside wall of said inner pipe and said inside wall of said outer pipe defining an annulus between the pipes;

connecting a bottomhole assembly comprising a directional drilling means, said directional drilling means comprising a rotary drill bit and a bent sub or housing for forming a borehole and said directional drilling means being operated by a rotary table or top drive drilling system, to the concentric drill string; and

delivering drilling medium comprising air through one of said annulus or inner pipe to said directional drilling means and removing exhaust drilling medium by extracting said exhaust drilling medium through said other of said annulus or inner pipe.

50. (Canceled) A method of drilling a directional or horizontal wellbore in a hydrocarbon formation, comprising:

providing a concentric drill string comprising an inner pipe, said inner pipe having an inside wall and an outside wall, and an outer pipe having an inside wall and an outside wall, said outside wall of said inner pipe and said inside wall of said outer pipe defining an annulus between the pipes;

connecting a bottomhole assembly comprising a directional drilling means, said directional drilling means comprising a drill bit, a reverse circulating steerable downhole air motor and a bent sub or housing for forming a borehole, to the concentric drill string; and

delivering drilling medium comprising air through one of said annulus or inner pipe to said directional drilling means and removing exhaust drilling medium by extracting said exhaust drilling medium through said other of said annulus or inner pipe and to the surface of the wellbore by means of said other of said annulus or inner pipe.

51. (Canceled) A method of drilling a directional or horizontal wellbore in a hydrocarbon formation, comprising:

providing a concentric drill string comprising an inner pipe, said inner pipe having an inside wall and an outside wall, and an outer pipe having an inside wall and an outside wall, said outside wall of said inner pipe and said inside wall of said outer pipe defining an annulus between the pipes;

connecting a bottomhole assembly comprising a directional drilling means, said directional drilling means comprising a drill bit, a reverse circulating mud motor and a bent sub or housing for forming a borehole, to the concentric drill string; and

delivering drilling medium comprising drilling mud through one of said annulus or inner pipe to said directional drilling means and removing exhaust drilling medium by extracting said exhaust drilling medium through said other of said annulus or inner pipe.

52. (Canceled) A method of drilling a directional or horizontal wellbore in a hydrocarbon formation, comprising:

providing a concentric drill string comprising an inner pipe, said inner pipe having an inside wall and an outside wall, and an outer pipe having an inside wall and an outside wall, said outside wall of said inner pipe and said inside wall of said outer pipe defining an annulus between the pipes;

connecting a bottomhole assembly comprising a directional drilling means, said directional drilling means comprising a reverse circulating reciprocating air hammer, a drill bit and a bent sub or housing for forming a borehole, to the concentric drill string; and

delivering drilling medium comprising air through one of said annulus or inner pipe to said directional drilling means and removing exhaust drilling medium by extracting said exhaust drilling medium through said other of said annulus or inner pipe and to the surface of the wellbore by means of said other of said annulus or inner pipe.

53. (Canceled) A method of drilling a directional or horizontal wellbore in a hydrocarbon formation, comprising:

providing a concentric drill string comprising an inner pipe, said inner pipe having an inside wall and an outside wall, and an outer pipe having an inside wall and an outside wall, said outside wall of said inner pipe and said inside wall of said outer pipe defining an annulus between the pipes;

connecting a bottomhole assembly comprising a directional drilling means, said directional drilling means comprising a drill bit and a bent sub or housing for forming a borehole and said directional drilling means being operated by a rotary table or top drive drilling system, to the concentric drill string; and

delivering drilling medium selected from the group consisting of drilling mud, drilling fluid, gases and a combination thereof, through one of said annulus or inner pipe to said directional drilling means and removing exhaust drilling medium by extracting said exhaust drilling medium through said other of said annulus or inner pipe.

54. (Canceled) A method of drilling a directional or horizontal wellbore in a hydrocarbon formation, comprising the steps of:

providing a concentric drill string comprising an inner pipe, said inner pipe having an inside wall and an outside wall, and an outer pipe having an inside wall and an outside wall, said outside wall of said inner pipe and said inside wall of said outer pipe defining an annulus between the pipes;

connecting a bottomhole assembly, said bottomhole assembly comprising a directional drilling means for forming a borehole, to the concentric drill string;

delivering drilling medium through one of said annulus or inner pipe to said directional drilling means and removing exhaust drilling medium by extracting said exhaust drilling medium through said other of said annulus or inner pipe; and

providing a shroud means positioned between the outside wall of the outer pipe and a wall of the wellbore for preventing release of exhaust drilling medium outside the concentric drill string and into the formation.

55. (Currently Amended) An apparatus for drilling a directional or horizontal wellbore in a hydrocarbon formation, comprising:

a concentric drill string comprising an inner pipe, said inner pipe having an inside wall and an outside wall, and an outer pipe having an inside wall and an outside wall, said outside wall of said inner pipe and said inside wall of said outer pipe defining an annulus between the pipes;

a bottomhole assembly, said bottomhole assembly comprising a directional drilling means for forming a borehole and a downhole flow control means having an open position and a closed position ~~positioned at or near the directional drilling means, for preventing flow of hydrocarbons from the inner pipe or the annulus or both to the surface of the wellbore,~~ operably connected to the concentric drill string; and

a drilling medium delivery means for delivering drilling medium through ~~one of said annulus or the~~ inner pipe to the directional drilling means for entraining and removing drill cuttings through ~~said other of said the annulus or inner pipe;~~

whereby said downhole flow control means is in the open position during active drilling to allow the flow of drilling medium down through the inner pipe and up through the annulus and in the closed position during well control operations to prevent the flow of hydrocarbons up through the annulus to the surface of the well bore.

56. (Currently Amended) An apparatus for drilling a directional or horizontal wellbore in a hydrocarbon formation, comprising:

a concentric drill string comprising an inner pipe, said inner pipe having an inside wall and an outside wall, and an outer pipe having an inside wall and an outside wall, said outside wall of said inner pipe and said inside wall of said outer pipe defining an annulus between the pipes;

a bottomhole assembly, said bottomhole assembly comprising a directional drilling means for forming a borehole, operably connected to the concentric drill string;

a drilling medium delivery means for delivering drilling medium through one of said annulus or inner pipe to the directional drilling means for entraining and removing drill cuttings through said other of said annulus or inner pipe; ~~and~~

a surface flow control means positioned at or near the surface of the wellbore for preventing flow of hydrocarbons from a space between the outside wall of the outer pipe and a wall of the wellbore;

a discharging means attached to said surface flow control means for discharging said drilling medium and said entrained drill cuttings from the wellbore; and

a flare means attached to said discharging means for flaring any hydrocarbons produced from the wellbore.

57. (Canceled) The apparatus of claim 56 further comprising a discharging means attached to said surface flow control means for discharging said drilling medium and said entrained drill cuttings from the wellbore.

58. (Canceled) The apparatus of claim 57 further comprising a flare means attached to said discharging means for flaring hydrocarbons produced from the wellbore.

59. (Canceled) An apparatus for drilling a directional or horizontal wellbore in a hydrocarbon formation, comprising:

a concentric drill string comprising an inner pipe, said inner pipe having an inside wall and an outside wall, and an outer pipe having an inside wall and an outside wall, said outside wall of said inner pipe and said inside wall of said outer pipe defining an annulus between the pipes;

a bottomhole assembly comprising a directional drilling means, said directional drilling means comprising a reverse circulating reciprocating air hammer, a drill bit and a bent sub or housing for forming a borehole, operably connected to the concentric drill string; and

a drilling medium delivery means for delivering drilling medium comprising air through one of said annulus or inner pipe to the directional drilling means for entraining and removing drill cuttings through said other of said annulus or inner pipe.

60. (Canceled) An apparatus for drilling a directional or horizontal wellbore in a hydrocarbon formation, comprising:

a concentric drill string comprising an inner pipe, said inner pipe having an inside wall and an outside wall, and an outer pipe having an inside wall and an outside wall, said outside wall of said inner pipe and said inside wall of said outer pipe defining an annulus between the pipes;

a bottomhole assembly comprising a directional drilling means, said directional drilling means comprising a rotary drill bit and a bent sub or housing for forming a borehole and said directional drilling means being operated by a rotary table or top drive drilling system, operably connected to the concentric drill string; and

a drilling medium delivery means for delivering drilling medium comprising air through one of said annulus or inner pipe to the directional drilling means for entraining and removing drill cuttings through said other of said annulus or inner pipe.

61. (Canceled) An apparatus for drilling a directional or horizontal wellbore in a hydrocarbon formation, comprising:

a concentric drill string comprising an inner pipe, said inner pipe having an inside wall and an outside wall, and an outer pipe having an inside wall and an outside wall, said outside wall of said inner pipe and said inside wall of said outer pipe defining an annulus between the pipes;

a bottomhole assembly comprising a directional drilling means, said directional drilling means comprising a drill bit, a reverse circulating steerable downhole air motor and a bent sub or housing for forming a borehole, operably connected to the concentric drill string; and

a drilling medium delivery means for delivering drilling medium comprising air through one of said annulus or inner pipe to the directional drilling means for entraining and removing drill cuttings through said other of said annulus or inner pipe.

62. (Canceled) An apparatus for drilling a directional or horizontal wellbore in a hydrocarbon formation, comprising:

a concentric drill string comprising an inner pipe, said inner pipe having an inside wall and an outside wall, and an outer pipe having an inside wall and an outside wall, said outside wall of said inner pipe and said inside wall of said outer pipe defining an annulus between the pipes;

a bottomhole assembly comprising a directional drilling means, said directional drilling means comprising a drill bit, a reverse circulating downhole mud motor and a bent sub or housing for forming a borehole, operably connected to the concentric drill string; and

a drilling medium delivery means for delivering drilling medium comprising drilling mud through one of said annulus or inner pipe to the directional drilling means for entraining and removing drill cuttings through said other of said annulus or inner pipe.

63. (Canceled) An apparatus for drilling a directional or horizontal wellbore in a hydrocarbon formation, comprising:

a concentric drill string comprising an inner pipe, said inner pipe having an inside wall and an outside wall, and an outer pipe having an inside wall and an outside wall, said outside wall of said inner pipe and said inside wall of said outer pipe defining an annulus between the pipes;

a bottomhole assembly comprising a directional drilling means, said directional drilling means comprising a drill bit and a bent sub or housing for forming a borehole and said directional drilling means being operated by a rotary table or top drive drilling system, operably connected to the concentric drill string; and

a drilling medium delivery means for delivering drilling medium selected from the group consisting of drilling mud, drilling fluid, gases and a combination thereof through one of

said annulus or inner pipe to the directional drilling means for entraining and removing drill cuttings through said other of said annulus or inner pipe.

64. (Currently Amended) An apparatus for drilling a directional or horizontal wellbore in a hydrocarbon formation, comprising:

a concentric drill string comprising an inner pipe, said inner pipe having an inside wall and an outside wall, and an outer pipe having an inside wall and an outside wall, said outside wall of said inner pipe and said inside wall of said outer pipe defining an annulus between the pipes;

a bottomhole assembly, said bottomhole assembly comprising a directional drilling means for forming a borehole and a downhole flow control means having an open position and a closed position, operably connected to the concentric drill string; and

a drilling medium delivery means for delivering drilling medium through ~~one of said~~ the annulus ~~or inner pipe~~ to the directional drilling means for entraining and removing drill cuttings through ~~said other of said annulus or~~ the inner pipe; and

~~a shroud means positioned between the outside wall of the outer pipe and a wall of the wellbore for preventing release of drilling medium or entrained drill cuttings or both outside the concentric drill string and into the formation~~ whereby said downhole flow control means is in the open position during active drilling to allow the flow of drilling medium down through the annulus and up through the inner pipe and in the closed position during well control operations to prevent the flow of hydrocarbons up through the inner pipe to the surface of the well bore.

65. (Canceled) A method of drilling a directional or horizontal wellbore in a hydrocarbon formation, comprising:

providing a concentric drill string consisting essentially of an inner pipe having an inside wall and an outside wall and an outer pipe having an inside wall and an outside wall, said

outside wall of said inner pipe and said inside wall of said outer pipe defining an annulus between the pipes;

connecting a bottomhole assembly, said bottomhole assembly comprising a directional drilling means for forming a borehole, to the concentric drill string; and

delivering drilling medium through said annulus to the directional drilling means and removing exhaust drilling medium by extracting said exhaust drilling medium through said inner pipe.

66. (New) The method of claim 44 or 45 whereby said drilling medium is selected from the group consisting of drilling fluid, drilling mud, a drilling fluid and gas mixture, and a drilling mud and gas mixture.

67. (New) A method of drilling a directional or horizontal wellbore in a hydrocarbon formation, comprising:

providing a concentric drill string consisting essentially of an inner pipe having an inside wall and an outside wall and an outer pipe having an inside wall and an outside wall, said outside wall of said inner pipe and said inside wall of said outer pipe defining an annulus between the pipes;

connecting a bottomhole assembly, said bottomhole assembly comprising a directional drilling means for forming a borehole, to the concentric drill string;

delivering drilling medium through one of said annulus or inner pipe to the directional drilling means and removing exhaust drilling medium by extracting said exhaust drilling medium primarily through said other of said annulus or inner pipe and to the surface of the wellbore by means of said other of said annulus or inner pipe;

providing a surface flow control means positioned at or near the surface of the wellbore for preventing flow of hydrocarbons from a space between the outside wall of the outer pipe and a wall of the wellbore, said surface flow control means having a discharging means and said discharging means having a flare means; and

removing said exhaust drilling medium through said discharging means from said wellbore and flaring any hydrocarbons produced from the wellbore.

68. (New) An apparatus for drilling a directional or horizontal wellbore in a hydrocarbon formation, comprising:

a concentric drill string consisting essentially of an inner pipe having an inside wall and an outside wall and an outer pipe having an inside wall and an outside wall, said outside wall of said inner pipe and said inside wall of said outer pipe defining an annulus between the pipes;

a bottomhole assembly, said bottomhole assembly comprising a directional drilling means for forming a borehole and one or more tools selected from the group consisting of a downhole data collection and transmission means, a shock sub, a drill collar and an interchange means for directing said drilling medium and entrained drill cuttings through said annulus or inner pipe, operably connected to the concentric drill string;

a drilling medium delivery means for delivering drilling medium through one of said annulus or inner pipe to the directional drilling means for entraining and removing drill cuttings through said other of said annulus or inner pipe;

a surface flow control means positioned at or near the surface of the wellbore for preventing flow of hydrocarbons from a space between the outside wall of the outer pipe and a wall of the wellbore;

a discharging means attached to said surface flow control means for discharging said drilling medium and said entrained drill cuttings from the wellbore; and

a flare means attached to said discharging means for flaring hydrocarbons produced from the wellbore.

69. (New) The apparatus of claim 25 wherein said bottomhole assembly further comprises one or more tools selected from the group consisting of a downhole data collection and transmission means, a shock sub, a drill collar, a interchange means for directing said drilling

medium and entrained drill cuttings through said annulus or inner pipe, and a downhole flow control means.